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ABSTRACT

A study examined the statutory role of state commissions in implementing the AmeriCorps Program, state commission operations, and extension of state commissions' administration and oversight role and decrease of the federal government role. The research reviewed commissions in California, Maryland, Missouri, Rhode Island, Texas, Virginia, and Washington. State commissioners and AmeriCorps project directors were interviewed; and 24 AmeriCorps projects were reviewed. The study indicated that the National and Community Service Trust Act provided for extensive state control of AmeriCorps. Commission officials in all seven states used a grassroots effort to develop their strategic plans and identify service needs. Three organizational models were used: part of a preexisting state agency, an independent state agency, or a nonprofit agency. Outputs and characteristics varied extensively. Enrollment ranged from 21-350. The attrition rate ranged from 3-58 percent. The proportion who accessed their education award ranged from 17-78 percent. Projects' expenditures ranged from $206,000 to $3.9 million. State commissioners and executive directors in all seven states agreed that a federal role in the AmeriCorps program is needed but differed on the degree of state control. (Appendixes include descriptions of 24 selected AmeriCorps projects by state; detailed information on project enrollment, attrition, and education award usage; and 24 AmeriCorps project expenditures.) (YLB)

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ED 404 517

United States General Accounting Office

GAO

Report to the Congress

February 1997

NATIONAL SERVICE PROGRAMS

Role of State Commissions in Implementing the AmeriCorps Program

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United States
General Accounting Office
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Health, Education, and
Human Services Division

B-275765

February 20, 1997

The Honorable Christopher S. Bond
Chairman, Subcommittee on VA, HUD,
and Independent Agencies
Committee on Appropriations
United States Senate

The Honorable Charles E. Grassley
United States Senate

With the National and Community Service Trust Act (the act) of 1993 (P.L. 103-82), the Congress created the largest national and community service program since the Civilian Conservation Corps of the 1930s. AmeriCorps, the act's signature program, is jointly administered by the Corporation for National and Community Service (the Corporation) and state commissions. AmeriCorps allows participants to earn education awards to help pay for postsecondary education in exchange for performing community service that matches priorities established by the Corporation. In an era marked by fiscal austerity, AmeriCorps has experienced substantial growth relative to other domestic programs in budgetary terms. Through fiscal year 1997, the Congress has appropriated over $800 million to support about 100,000 AmeriCorps participants. Amid concerns over costs and internal controls, however, considerable congressional oversight activity has accompanied AmeriCorps' appropriations.

Several studies of the Corporation's first operating year have been completed. Between January 1995 and May 1996, at the request of the Congress, we conducted three studies that focused on AmeriCorps program resources and benefits. In March 1996, the Corporation's Inspector General issued five reports on the Corporation's financial management systems and its 1994 AmeriCorps National Direct grant award process. The results from these reviews prompted several initiatives aimed at lowering AmeriCorps' costs.

Under the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (P.L. 104-134) and the Omnibus Consolidated Appropriations Act of 1997 (P.L. 104-208), the Congress mandated new funding restrictions for the Corporation. One provision makes federal agencies ineligible to receive AmeriCorps grants, while another directs the Corporation, to the greatest extent possible, (1) to increase the amount of matching

contributions provided by the private sector and (2) to reduce AmeriCorps' total federal cost per participant. Among the program reforms contemplated during the 1996 appropriation process, some Members of Congress expressed interest in scaling back AmeriCorps' federal bureaucracy and transferring more program management to state commissions.

To better gauge state commissions' capacity to absorb additional program management responsibility, the Congress mandated through the Omnibus Consolidated Rescissions and Appropriations Act that we study state commission programs. Because of your long-standing interest in AmeriCorps, we coordinated our work with representatives from your offices and agreed to address our report to you. On the basis of discussions with your staff, we agreed to provide information on the following three issues:

- the statutory role of state commissions,
- state commission operations, including project-level[1] outputs from national service projects within their purview, such as participant enrollment and expenditure data,
- extending state commissions' administrative and oversight role over AmeriCorps and correspondingly decreasing the federal government's role.

To conduct our work, we reviewed seven state commissions representing a range and mix of characteristics, including geographic location, level of Corporation grant funding, and number of AmeriCorps participants. Our state commission sample consisted of California, Maryland, Missouri, Rhode Island, Texas, Virginia, and Washington.

To address our research questions, we interviewed state commissioners, commission executive directors, AmeriCorps project directors, and Corporation officials. We also reviewed files at state commission offices to obtain program documentation or obtained documentation directly from commission officials.

We also reviewed 24 AmeriCorps projects administered by the seven state commissions. We selected the projects on the basis of the type of service program, the level of Corporation funding, and whether the decision to

[1]Throughout this report, we use the term "project" to describe the grantees or subgrantees of federal funds that are provided either by the Corporation or the state commissions to conduct national service activities authorized by the act. We use the term "program" to refer to AmeriCorps projects collectively.

fund the project was made solely by the state commission or jointly with the Corporation. For each project, we reviewed (1) expenditure data; (2) data on participant enrollment, attrition, and education award usage; and (3) information on projects' service activities. Appendix I lists the AmeriCorps projects we selected and briefly describes each project.

Where possible, we reviewed the most recent data available in comparing the operations of the seven state commissions. For example, project expenditure and enrollment data were for the 1994-95 program year—the first, and only, completed program year for which such data were available. The number of projects that state commissions were currently administering at the time of our review were those funded with fiscal year 1995 federal funds. Finally, because of differences between the federal and state governments' fiscal years and the AmeriCorps program's operating year, we compared state commissions' operating budgets on the basis of their federal fiscal year 1996 allocations.

Because the data are self-reported and unverified, and we reviewed a judgmentally selected sample of state commissions, our results cannot be generalized beyond the commissions and programs studied. With these exceptions, our work, done between July and November 1996, was in accordance with generally accepted government auditing standards.

Results in Brief

By assigning state commissions significant responsibilities, the National and Community Service Trust Act of 1993, in effect, emphasizes state control of the AmeriCorps program. These responsibilities include developing a statewide service infrastructure, selecting and funding AmeriCorps projects, and monitoring and evaluating projects. State commissions directly control two-thirds of the federal funds available for AmeriCorps projects. For fiscal year 1995, state commissions received $131 million of $192 million available in federal funding.

Our review of seven state commissions indicated that all are performing program management activities envisioned by the act but vary in terms of their infrastructures and project outputs. For example, all seven state commissions developed strategic plans to identify priority service needs and selected and funded projects consistent with their plans. Operational resources of the state commissions in our sample varied widely, however. For example, while California's commission employed 18 full-time equivalent (FTE) staff and commanded a 1996 fiscal year budget of about $1.3 million, Rhode Island's commission employed 3.5 FTE staff and

managed a budget of $183,000 for the same period. For the selected projects, outputs also varied both within and among the state commissions. For example, the Washington commission's projects had from 33 to 350 participants, and among the seven states, project expenditures ranged from $206,000 to $3.9 million.

Officials from the seven state commissions agreed on the need for a federal role in AmeriCorps but disagreed on how much federal control is desirable. On one hand, all officials agreed that only a federal entity can provide AmeriCorps with a national identity, which they considered essential. On the other hand, they disagreed on the role the Corporation should play in allocating AmeriCorps funding grants. For example, California officials believed that all funds should be proportionally allocated to states based on population, leaving the Corporation no substantive role. Conversely, Rhode Island officials believed that the Corporation should allocate funds to states based on its judgment of the quality of the states' projects, giving the Corporation a significant role.

Senior Corporation officials agreed with state officials that a federal role is necessary to provide the AmeriCorps program with a national identity. They also stated that a federal role is necessary to conduct performance evaluations of national service projects and state commissions. These officials acknowledged that changes to the funding allocation process might better achieve the Corporation's quality control objectives and said they may recommend changes to the Congress when it considers reauthorization of the act. Finally, Corporation officials noted that, notwithstanding their view that the act gave the states a substantial degree of control over the program, they have initiated actions to increase state commissions' autonomy.

Background

In creating AmeriCorps, the Congress chartered a federal corporation to work with the states to fund local national and community service projects.[2] The President appoints a chief executive officer and a 15-member bipartisan board of directors that is confirmed by the Senate to govern the Corporation; each member serves a 5-year term. The board has the authority to review and approve the strategic plan and proposed grant

[2]The Corporation also administers other programs. For example, the Learn and Serve America program incorporates service learning in the curriculum of students from kindergarten through graduate school. In addition, the National Senior Volunteer Corps program includes the Retired and Senior Volunteers, Foster Grandparent, and Senior Companion programs, which support community service by senior adults. These programs are funded through renewable project grants to public and private nonprofit organizations that work with schools, hospitals, senior centers, and other organizations that directly assign and supervise participants.

decisions. The Corporation provides grants to AmeriCorps projects directly and through states. To receive AmeriCorps funds, states must establish commissions on national service. These state commissions must have between 15 and 25 members and be composed of representatives from a variety of fields, including local government, existing national service programs, local labor organizations, and community-based organizations. Since AmeriCorps began, 48 states, the District of Columbia, and Puerto Rico have created commissions. These state commissions, in turn, subgrant AmeriCorps funds to local community service projects.

Federal and State Program Roles

The act gives critical program responsibilities to both the federal and state governments. Because national service was intended to address community needs, the act sought to balance a centralized federal program role with state responsibility for planning, implementing, and overseeing most eligible AmeriCorps projects because state governments are thought to be closer to and therefore more knowledgeable about community needs. Although it directly selects and oversees some AmeriCorps projects, the Corporation is primarily responsible for establishing national criteria for determining projects' eligibility for federal funds and for assisting the states in carrying out their program responsibilities. Both the Corporation and the states are jointly responsible for other program areas such as providing training and technical assistance to local AmeriCorps projects. Table 1 lists the Corporation's and the states' responsibilities.

Table 1: Federal and State National Service Program Responsibilities

Corporation for National and Community Service	State commissions	Corporation and state commissions
Determine national service needs	Determine state service needs and develop service infrastructure	Provide assistance and training to local projects
Administer education award trust fund	Issue applications for AmeriCorps funds	Evaluate projects
Promote national identity	Select and fund certain state-administered projects; preselect other projects for competitive funding	Develop strategies to leverage additional funds to support projects
Disburse grant funds to states	Administer state AmeriCorps projects	Recruit, refer, and place AmeriCorps participants
Select and fund certain projects directly		
Assist state commissions		

AmeriCorps*State/ National Program

AmeriCorps*State/National is the Corporation's flagship AmeriCorps program.[3] AmeriCorps*State/National participants earn an education award of up to $4,725 for full-time service or half that amount for part-time service. A minimum of 1,700 hours of service within a year is required to earn the full $4,725 award. To earn a part-time award, a participant must perform 900 hours of community service within 2 years (or within 3 years in the case of participants who are full-time college students). Individuals can serve more than two terms; however, they can receive only federally funded benefits, including education awards, for two terms. The Corporation allows projects to devote some portion, not more than 20 percent, of participants' service hours to nondirect service activities, such as training or studying for the equivalent of a high school diploma.

With regard to attrition, participants can earn prorated education awards if they are released for compelling personal circumstances, such as illness or critical family matters, and have served at least 15 percent of their service term. Participants released for cause are ineligible to receive an education award and may disqualify themselves from future service in AmeriCorps. Participants may be released for cause for a variety of reasons, including being convicted of a felony, chronic truancy, or consistent failure to follow directions. In addition, participants released for cause may include those who leave a project early to take advantage of significant opportunities for personal development or growth, such as educational or professional advancement. Education awards, which are held in trust by the U.S. Treasury, are paid directly to qualified postsecondary institutions or student loan lenders and must be used within 7 years after service is completed.

In addition to the education award, AmeriCorps*State/National participants receive a living allowance stipend that is at least equivalent to, but no more than double, the average annual living allowance received by VISTA volunteers—about $7,500 for full-time participants in fiscal year 1996. Additional benefits include health insurance and child care assistance for participants who qualify for such support.

Individuals can join a national service project before, during, or after postsecondary education, but must be a high school graduate, agree to

[3]The other AmeriCorps programs are the AmeriCorps*National Civilian Community Corps (NCCC) and the AmeriCorps*VISTA programs. NCCC recruits 18- to 24-year-olds for environmental service activities. Members live on campuses at closed or downsized military facilities. VISTA (Volunteers in Service to America), established in 1965, is a full-time service program that addresses poverty-related problems. Participants serve with community-based public and private nonprofit organizations and serve in capacity-building assignments.

earn the equivalent of a high school diploma before receiving an education award, or be granted a waiver by the project. A participant must be 17 or older and be a citizen, a national, or a lawful permanent resident alien of the United States. Selection of participants is not based on financial need. In its fiscal year 1997 appropriations, the Corporation anticipated fielding about 24,000 full- and part-time AmeriCorps*State/National participants.

Grant Award Protocols

The act created three types of grant awards as funding streams for AmeriCorps*State/National projects: formula, competitive, and national direct. The act lists criteria that state commissions and the Corporation must use in selecting AmeriCorps projects for grant awards. The principal criteria include project quality, innovation, and sustainability. In addition, service projects must address community education, public safety, human, or environmental needs. States may develop additional criteria, based on identified service needs, to use in selecting projects for state formula grants. Similarly, the Corporation develops additional criteria that reflect particular national needs that states use to nominate projects for competitive grant awards and that the Corporation uses to select projects for national direct grants.

- State formula grants: One-third of the funds appropriated for AmeriCorps*State/National grants are distributed to state commissions strictly on the basis of population. In fiscal year 1995, state commissions were awarded about $67 million to support 262 projects using formula grants.
- State competitive grants: At least one-third of funds appropriated for AmeriCorps*State/National grants are awarded to state commissions on a competitive basis. The Corporation ranks the highest quality projects among those submitted by the states for these funds. In fiscal year 1995, the Corporation awarded another $64 million to state commissions to finance 103 projects using competitive grants.
- National direct grants: The Corporation competitively awards the remaining appropriations to public or private nonprofit organizations, institutions of higher education, or multistate organizations. In fiscal year 1995, the Corporation directly awarded about $58 million to support 57 projects using national direct grants.

AmeriCorps*State/National Grantees

AmeriCorps grantees use grant funds to pay up to 85 percent of the cost of participants' living allowances and benefits[4] and up to 67 percent of other project costs,[5] including participant training, education, and service gear; staff salaries, travel, transportation, supplies, and equipment; and project evaluation and administrative costs. To ensure that federal Corporation dollars are used to leverage other resources for project support, grantees must also obtain support from non-Corporation sources to help pay for the project. This support, which can be cash or in-kind contributions, may come from other federal sources as well as state and local governments, and private sources. In-kind contributions include personnel to manage AmeriCorps*State/National projects and to supervise and train participants; office facilities and supplies; and materials and equipment needed in the course of conducting national service projects.

National Service Statute Provides State Control

The National and Community Service Trust Act provides for extensive state control of AmeriCorps. State commissions must develop strategic plans that identify state educational, public safety, human, and environmental service needs. On the basis of these plans and the act's criteria, commissions select projects to finance with formula grant funds and nominate other projects to the Corporation as candidates for competitive grants. Commissions have ultimate responsibility for administering both formula and competitive awards. In addition, commissions must monitor and evaluate the performance of the AmeriCorps projects under their purview and assess projects' compliance with state and federal regulations. These reviews determine whether commissions renew funding for AmeriCorps projects in succeeding years.

Commission officials in all seven states told us they used a grassroots effort to develop their strategic plans and identify service needs. They said they sought input from a broad cross-section of individuals and organizations to ensure extensive input in identifying state service needs. Most commission officials said they solicited public comment through local and regional meetings and other public forums. For example, one commission mailed meeting announcements to various government, nonprofit, and community-based organizations. Another commission mailed over 1,000 invitations to various service programs and individuals. Another state commission used interactive computer technology to coordinate input from 60 individuals collectively representing over 250 organizations.

[4]For one benefit, child care, the Corporation pays 100 percent.

[5]Before fiscal year 1997, grant funds paid up to 75 percent of these other project costs.

After developing state plans and prioritizing service needs, commissions used a variety of measures to identify, develop, and select AmeriCorps projects. For example, while some commissions published request-for-proposals packages, others solicited proposals from existing community service and government agencies, and some held regional meetings around the state where local organizations identified community needs and proposed projects to address them. In general, state commissions convened review panels to assess project proposals and rank them according to how well they met the state's needs and priorities as established in the state's strategic plan. One review panel was composed only of the commissioners themselves; others used panels made up of commissioners, commission staff, and local service project officials; while another included citizens with academic and public service backgrounds. State commissioners, using the results of these panels, then selected projects to fund with the state's allotted formula funds or to submit to the Corporation for competition with other state commissions' selections.

Commission officials in all seven states told us they based their project monitoring and evaluation protocols on Corporation guidelines. Some state commissions developed additional evaluation and monitoring measures to ensure projects remain in compliance. Commission staff in six of the states conducted project site visits, while in Texas, commissioners themselves conducted on-site reviews. Typically, the commissions used their site visit results and periodic reports submitted by project administrators to determine whether projects effectively achieved project objectives.

Commission Operations

States chose to organize their commissions in a variety of ways. The seven commissions we reviewed fell into one of three organizational models: (1) part of a preexisting state agency; (2) an independent state agency; or (3) a nonprofit agency. Five commissions operated within existing state agencies. For example, the Virginia commission operated within the state's Department of Social Services. California created its commission as an independent agency, while the Rhode Island legislature decided to charter its state service commission as a nonprofit agency, thereby obtaining tax-exempt status from the Internal Revenue Service.

Commission Budgets and Staffing Vary

State commissions' administrative budgets and their staffing levels varied significantly among the seven states. For example, in terms of administrative budgets, the Rhode Island commission managed about

$183,000, while the California commission managed over $1.3 million in fiscal year 1996. Also, in regard to staffing levels, the Virginia commission employed 1.5 FTE staff, while the California commission employed 18 FTE staff.

Both federal and state government contributions defined state commission budgets and their staff resources. Under the act, the Corporation awards administrative grants of between $125,000 and $750,000 to states to help pay for commission operations. Federal administrative grants are limited to 85 percent of a commission's costs in the first year and decrease to 50 percent of costs in the fifth and subsequent operating years. States must contribute either cash or in-kind resources to obtain administrative grants. Among the seven states, the type (cash or in-kind) and amount of support provided by the state varied. Table 2 lists the commissions' total budgets and staffing levels for fiscal year 1996.

Table 2: Fiscal Year 1996 Budgets and Number of Full-Time Equivalent Staff at Seven State Commissions

State	Budget	Staff (FTEs)
California	$1,321,000	18
Maryland	446,602	13
Missouri	398,810	2.5
Rhode Island	182,562	3.5
Texas	957,279	10
Virginia	431,284	1.5
Washington	481,394	5

Source: Corporation for National and Community Service and state commissions.

Number of State Commission Projects Varied

During the 1995-96 program year, the number of AmeriCorps projects in the seven states varied depending on (1) the number of projects commissions financed with their allotted formula funds, (2) the number of projects that won competitive funding, and (3) the number of projects funded directly by the Corporation rather than by the state commissions. The number of formula-funded projects ranged from a low of 1 in Rhode Island to a high of 19 in California. The number of projects awarded competitive grants ranged from none in Virginia to eight in Texas.[6] The number of national direct projects administered by the Corporation in the seven states also varied. While only 1 national direct project operated in Virginia, 18 such projects operated in California. Table 3 lists the number

[6]At the time of our visit, the Virginia state commission had never submitted projects to the Corporation for competitive funding.

of state commission formula and competitive projects and the number of national directs projects in each state.

Table 3: Projects for the 1995-96 Program Year, by Type and by State

State	State commission formula projects	State commission competitive projects	National direct projects
California	19	7	18
Maryland	4	6	10
Missouri	5	3	4
Rhode Island	1	3	3
Texas	11	8	10
Virginia	5	0	1
Washington	5	3	7

Source: Data provided by the Corporation for National and Community Service.

Project Outputs Vary Considerably

For the 24 projects we reviewed, outputs and characteristics varied extensively. We reviewed information on enrollment, attrition, and participants' use of education awards for each project. In addition, we obtained data on projects' expenditures and the source of projects' financial support. To calculate enrollment, we added the number of full- and part-time participants that began a term of service for each project. We calculated attrition rates on two bases: (1) the number of participants who ended service early for cause and (2) the combined total of participants who ended service early for cause and for compelling personal circumstances. We determined education award usage based on the number of participants who earned either a full or prorated education award and the number of participants who had used either part of or the full value of their awards at the time of our review. The following points illustrate the extent of variability among the projects:

- Participant enrollment: AmeriCorps enrollment ranged from 21 to 350 participants. The median enrollment was about 46 participants.
- Attrition rates: The attrition rate for participants who ended service early for cause ranged from 3 to 58 percent. The median attrition rate was 22 percent. The overall attrition rate—participants who ended service early for either cause or compelling personal circumstances—ranged from 9 to 95 percent,[7] and the median was 39 percent.

[7]Most of the participants in one project were unable to complete a full-term of service because the project began operations late. According to Corporation records, education awards were prorated for these participants.

- Education award usage: The proportion of participants who accessed their education award ranged from 17 to 78 percent. The median was 54 percent.

Appendix II lists projects' enrollment, attrition rates, and participant education award usage.

Project Expenditures

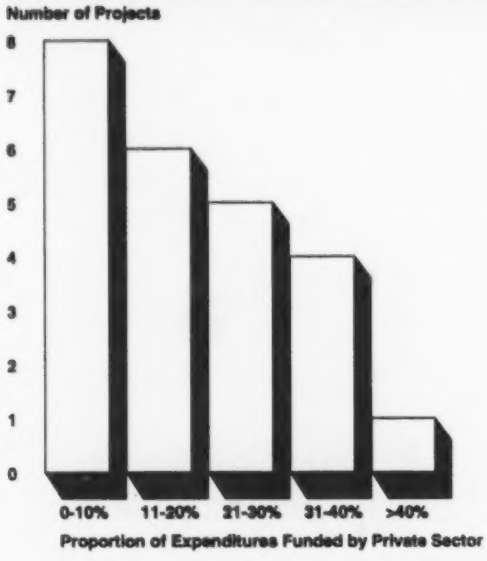
Project-level expenditures also varied widely. Our expenditure data excluded funding for education awards and for state commission and Corporation administrative expenses. Projects obtained cash support and in-kind resources to cover their expenditures from the Corporation, other federal agencies, state and local governments, and the private sector. The projects' expenditures ranged from $206,000 to $3.9 million. The median expenditure was $627,000. The share of these expenditures that were supported by the following sources was

- corporation grants—0[8] to 78 percent (the median was 66 percent),
- public sector resources—49 to 100 percent (the median was 83 percent), and
- private sector sources—0 to 51 percent (the median was 17 percent).

Figure 1 illustrates private sector support for all 24 projects. Appendix III lists detailed expenditure data for all 24 projects.

[8]For one project in our sample the Corporation is only funding education awards.

Figure 1: Distribution of 24 Americorps Projects by Proportion of Expenditures Covered by Private Sector Funding



Project Accomplishments

One of the National and Community Service Trust Act's objectives is to help the nation address its unmet human, education, environmental, and public safety needs. The projects included in our sample all reported diverse service activities that address one or more of these needs. While some projects' service activities were focused on meeting a particular need within the community, such as housing, other projects' activities addressed multiple areas of need, such as environmental and education needs. In the project reports we reviewed in detail, participants organized food programs that served 2,500 children; assisted with totally rehabilitating 16 vacant public housing units; operated a 7-week summer reading camp for 36 children; planted trees, removed debris, and created gardens improving 32 urban neighborhoods; and provided parenting classes to low-income families.

Officials Agree Federal Role Needed, but Differ on Degree of State Control

State commissioners and executive directors in all seven states agreed with senior Corporation officials that a federal role in the AmeriCorps program is needed. None of these officials believed that eliminating the federal Corporation and simply allocating funds directly to state commissions would serve the program well. While some state officials told us that the grant allocation process warrants significant change, other

state officials noted the indispensability of federal oversight. Corporation officials believed that a federal role is needed for conducting nationwide data gathering on the AmeriCorps program, evaluating the performance of AmeriCorps projects and state commissions, and providing a central repository of information on the "best practices" of individual AmeriCorps projects and state commission operations.

Federal Role Needed

All seven state commission executive directors agreed that a federal role is necessary to provide the AmeriCorps program with a national identity. According to these officials, a national identity helps AmeriCorps projects obtain widespread public support. They told us that national identity provides AmeriCorps participants with a sense that the benefits of their service extend not only to themselves and their communities, but to the whole nation. Furthermore, they said AmeriCorps' name recognition and positive reputation help local projects recruit participants. To promote national identity, the Corporation provides AmeriCorps projects national advertisement, service gear, and the means to network with other projects across the country to share experience and knowledge. In addition, the Corporation encourages projects to adhere to certain standardized elements such as the ethic reflected by the Corporation's slogan "getting things done," a standard orientation and pledge, and participation in national events.

Most commission officials also welcomed the federal oversight of AmeriCorps. Some officials told us that while reducing the federal role could save money, a lack of oversight would spawn fraud, waste, and abuse. Several commission officials, for example, expressed concern that, without federal oversight, other state officials might bypass commission offices and fund projects, regardless of whether they meet national service priorities, to serve partisan agendas. Another official said that without a federal role, the AmeriCorps program would become wholly dependent on the support of the states' executive leadership, noting a fear for the future of their states' AmeriCorps programs if elected governors do not support national service.

Corporation officials agreed that a national identity for the AmeriCorps program is important and that a federal role provides it. They also noted that the federal government has a vital role in evaluating the AmeriCorps program, sharing evaluation results with others, and developing and increasing the evaluation capacity of state commissions. They believe that such a role helps to address the disparity between state commissions'

competence and performance by, in part, serving as a central repository of information on successful AmeriCorps projects and state commission management strategies. Furthermore, evaluating projects and state commissions ensures that federal taxpayer dollars are efficiently and effectively used to finance legitimate national service projects.

Federal Grant Allocation

Commission officials in the seven states disagreed on whether states should have more control over federal grant funds, particularly in terms of allocating federal funds. Some commission officials supported allocating all three types of grants (formula, competitive, and national direct) to the states based on population. The California contingent advocated allocating all AmeriCorps grant funds to states using a population-based formula. California officials argued that the Corporation's competitive grant-making process is redundant because it occurs after states review and select projects for funding on their own. In addition, these officials told us that federal selection of AmeriCorps projects usurps the state commissions' right to exercise their best judgment, expertise, and creativity in administering national service projects in their states. Other officials told us that the competitive grant-making process promotes equity and ensures that the relatively higher quality projects receive funding. Officials in Rhode Island argued that the competitive grant-making process provides a more equitable distribution of national resources than strict population-based allocations. They said that such simplistic methods arbitrarily penalize states with small populations and reward states with large populations, while ignoring the variability in quality among national service projects.

Officials in other states told us that commissions themselves, rather than individual projects, should compete for federal grants. Officials in Maryland and Texas told us that the Corporation should allocate federal AmeriCorps grants to states on the basis of commissions' demonstrated ability to effectively manage quality national service projects in their states. They argued that the Corporation should treat different states differently, taking into account states' unique service needs. Neither Maryland nor Texas officials, however, had developed a set of suggested criteria for the Corporation to use to make such determinations.

Senior Corporation officials told us that they are not certain the competitive process used, in part, to allocate funds to state commissions achieves the quality control over project selection that was originally anticipated. They oppose, however, allocating all available funding to state

commissions based simply on population demographics. Corporation officials stated that such a method does not take into account the differing abilities of state commissions to administer and oversee AmeriCorps projects, noting that two states have yet to even appoint state commissions. In addition, these officials believe that national direct projects play an important role in the AmeriCorps program and should receive grants directly from the Corporation. While these officials told us that in the future the Corporation may recommend that the Congress change the act's grant allocation process, they had no specific proposals for the Congress to consider at the time of our review.

Coordination With National Direct Projects

Some state commission officials we visited told us that giving states more control over the AmeriCorps program would eliminate or alleviate current problems they have coordinating with AmeriCorps projects operating in their state. Historically, national direct projects were not required to coordinate with state commission officials, which some commission officials cited as a point of frustration. These officials told us that the public holds them culpable for the actions of national direct AmeriCorps projects because the public does not distinguish between national direct projects and state-administered projects. In addition, some state commission officials said they doubt that out-of-state nonprofits fully understand the needs of local communities in their states.

Corporation officials acknowledged the difficulties that some states have experienced coordinating with national direct projects. To ameliorate this problem, an official said that as of January 1997, the Corporation requires national direct grantees to coordinate with the relevant state commission officials. In addition, in the future, state commissions can provide comments on the Corporation's national direct grant selections, which these Corporation officials believe will also help eliminate this coordination problem.

Corporation officials told us, however, that national direct grants play an essential program role. They argued that community service is central to the mission of many national nonprofit organizations and that these organizations are, by and large, the recipients of such grants. Specifically, these officials believe that national direct grants help (1) attract national nonprofit organizations to the AmeriCorps program, (2) achieve a more efficient and less bureaucratic method of administering projects that operate in several states, and (3) recruit nonprofit organizations with the economies of scale that could allow the Corporation to dramatically

decrease its per-participant costs by funding only the portion of projects' expenses associated with providing participants their education awards.

Agency Comments

In commenting on our report, the Corporation stated that in calculating attrition rates, we should not have included participants who leave projects early to take advantage of opportunities for educational or professional advancement because such departures do not reflect on program quality. We did not, however, use attrition rates or any other output as a project quality index and, therefore, did not modify our calculations. Although the Corporation believes that the term "outputs" should characterize only project accomplishments, we use the term to characterize participant enrollment, project attrition, education award usage, and project expenditures—a use of the term that is consistent with long-standing conventions of social science research.

The Corporation also stated that a complete analysis of education award usage may not be available for several years because participants have up to 7 years to use their awards. Our education award calculation represents a snapshot in time, and our report describes the 7-year interval. The Corporation suggested other changes that were primarily technical and editorial in nature. We revised the report as appropriate, defining our use of the terms "project" and "program," for instance, and clarifying that we used the most current and appropriate data available for our analysis.

We are sending copies of this report to the appropriate House and Senate committees and other interested parties. We will also make copies available to others on request.

If you have any questions about this report, please call me at (202) 512-7014 or Jeff Appel, senior evaluator, at (617) 565-7513. This report was prepared under the direction of Wayne B. Upshaw, Assistant Director. Ben Jordan, evaluator, also contributed to this report.

Cornelia M. Blanchette

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Abbreviations

FTE	full-time equivalent
NCCC	National Civilian Community Corps
VISTA	Volunteers in Service to America

Appendix I

Description of 24 Selected Americorps Projects, by State

Project	Participant activities
California	
Bay Area Youth Agency Consortium AmeriCorps Project	Participants work to meet the needs of at-risk youth through peer counseling, health education/outreach, gang intervention, conflict resolution, alcohol/drug counseling and education, outreach to homeless youth, after-school recreation, tutoring, and child care.
Building Up Los Angeles	Participants serve in a citywide partnership to develop neighborhood-based service projects. Members mentor/tutor community youth, provide training in conflict management skills, and engage individuals in physical improvement projects.
California Conservation Corps AmeriCorps	Participants serve in teams to plan and perform activities, including rural and urban environmental projects, trail construction and maintenance, tree planting, city infrastructure maintenance, and organizing city youth activities.
East Bay Conservation Corps AmeriCorps Collaborative	Participants tutor and counsel at-risk youth, develop and operate after-school programs, deliver basic health care services, and implement physical improvement projects through a 19- organization partnership.
Maryland	
Appalachian Service Through Action and Resources	Participants provide independent living assistance and health care to homebound elderly individuals, enlarge area food pantries, create youth literacy programs, and develop educational programs for Head Start students in Appalachian Maryland.
Maryland Students Taking Responsibility for Tomorrow	Participants tutor low-income students, in a tri-county area, using a cascading leadership model. Participants supervise high school students who, in turn, act as mentors and tutors for middle and elementary school students.
United Youth Corps of Maryland	Participants work in rural, urban, and suburban areas of the state through a collaboration among the Maryland Conservation Corps, Civic Works, and Community Year. Participants work to stabilize soil erosion, build community gardens, and rehabilitate homes for low-income families.
Enhancing Neighborhood Action by Local Empowerment	Participants conduct home visits to the chronically ill and provide health service referrals. Participants also tutor first-grade students, develop structured after-school intergenerational activities, and teach school readiness skills to preschool children.
Missouri	
Grace Hill AmeriCorps RiverFront Trail Project	Participants help conserve the Mississippi Riverfront by restoring and beautifying trails. Participants work to increase the educational success of urban youth by organizing outdoor recreational and educational activities and by planning weekly summer educational events.
Come as You Are Project	Participants serve the St. Joseph area by developing academic laboratories in schools, organizing and conducting neighborhood cleanup projects and recycling programs, and working with children to establish community gardens that provide food to local food pantries.
Southeast Missouri Partnership for Community Service	Participants work to reduce violence against children by recruiting tutors and mentors to work with high-risk youth, developing a literacy program for parents, developing after-school and summer programs, and working with juvenile authorities to develop service projects for youthful offenders.
St. Louis Partners for Service	Participants work to increase the capacity of schools to improve the achievement of fourth- through eighth-graders in low-income communities and identify and train volunteers to develop service projects in literacy, the environment, first aid and personal safety, and substance abuse prevention.

(continued)

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Project	Participant activities
Rhode Island	
Leadership, Education and Service Enterprise	Participants provide a range of services for at-risk students of all ages, including preschool assistance, tutoring for school-aged youth and adults, and referral services.
City Year, Rhode Island	Participants serve in teams to strengthen communities by tapping the resources of local residents, business, and nonprofit organizations. Participants provide services such as mentoring/tutoring students from kindergarten through seventh grade and participating in community gardening, low-income housing, and after-school programming.
Texas	
Casa Verde Builders Program	Participants work to improve low-income areas by building energy-efficient homes using least toxic materials and alternative building methods. Participants also renovate and weatherize existing homes to save on energy costs.
Making Connections for Children and Youth	Participants serve children living in poverty by offering nutritious food and enrichment activities at summer food sites, tutoring and mentoring at schools, providing violence prevention/conflict resolution activities, and facilitating access to health care.
Parenting Education Project	Participants provide parenting education services at schools and community nonprofit organizations. Participants conduct home visits, community outreach and recruitment, teen parent mentoring, and developmental screening, and provide child care for teen parent students.
Serve Houston Youth Corps	Participants operate after-school service-learning programs in elementary schools. Participants work in teams with other youth from varied backgrounds to strengthen the community in areas including the environment, hunger and homelessness reduction, and public safety.
Virginia	
Service to Alexandria	Participants work to rehabilitate, revitalize, and maintain public housing units in their own communities.
Virginia Commonwealth University AmeriCorps	Participants serve as outreach workers for community-based organizations that provide tutoring/mentoring, parenting skill workshops, physical exams and immunizations, conflict resolution training, and prenatal health education.
Washington	
AmeriCorps Youth in Service	Participants teach conflict resolution skills, provide tutoring and frontline gang intervention, and implement after-school, late night, and summer recreation programs for rural and Native American youth. Participants also provide independent living support to mentally ill adults.
Spokane Service Team	Participants rehabilitate low-income housing units and construct new housing for emergency and transitional living. Participants also work to restore habitats for native plants, vegetation, and wildlife. They are also involved in developing recreational areas in state parks and improving hiking and biking trails.
Educational Conservation Corps	Participants work to improve water quality and restore a reduced salmon population by rehabilitating damaged watersheds and building fences to prevent erosion.
Washington AmeriCorps	Participants serve in various agencies across the state on a wide range of projects, including developing a statewide literacy initiative for recent immigrants, providing at-risk youth with service alternatives to gang activity, and concentrating services to a needy, isolated Native American reservation.

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Detailed Information on Project Enrollment, Attrition, and Education Award Usage for the 1994-95 Program Year

Project	Total enrolled
Bay Area Youth Agency Consortium AmeriCorps Project	60
Building Up Los Angeles	125
Califoria Conservation Corps AmeriCorps	135
East Bay Conservation Corps AmeriCorps Collaborative	169
Appalachian Service Through Action and Resources	32
United Youth Corps of Maryland	128
Enhancing Neighborhood Action by Local Empowerment	24
Maryland Students Taking Responsibility for Tomorrow	33
St. Louis Partners for Service	31
Grace Hill AmeriCorps RiverFront Trail Project	38
Southeast Missouri Partnership for Community Service	41
Come as You Are Project	40
Leadership, Education and Service Enterprise	25
City Year, Rhode Island	85
Casa Verde Builders Program	64
Making Connections for Children and Youth	50
Serve Houston Youth Corps	64
Parenting Education Project	61
Virgina Commonwealth University AmeriCorps	37
Service to Alexandria	21
AmeriCorps Youth in Service	43
Spokane Service Team	33
Washington AmeriCorps	350
Educational Conservation Corps	97

Participants who ended service early for cause		Participants who ended service early for all reasons		Education award usage		
Released for cause	Percentage of enrolled	Released for all reasons	Percentage of enrolled	Earned an award	Used award	Percentage used
10	17	13	22	50	20	40
26	21	43	34	87	29	33
14	10	43	32	115	29	25
47	28	76	45	118	64	54
8	25	9	28	22	13	59
45	35	50	39	66	35	53
5	21	10	42	19	10	53
1	3	3	9	12	9	75
3	10	7	23	28	19	68
13	34	15	39	22	5	23
20	49	23	56	21	15	71
12	30	21	53	28	16	57
8	32	10	40	17	10	59
17	20	17	20	47	26	55
37	58	38	59	23	4	17
14	28	21	42	35	19	54
8	13	18	28	56	33	59
10	16	21	34	50	18	36
16	43	17	46	21	13	62
3	14	20	95	17	3	18
7	16	9	21	36	28	78
4	12	19	58	28	7	25
80	23	94	27	254	137	54
37	38	41	42	58	20	34

24 Americorps Project Expenditures for the 1994-95 Program Year, by Resource Stream

Project	Corporation	Other federal	
		Cash	In-kind
Bay Area Youth Agency Consortium AmeriCorps Project	$756,587	$0	$0
Building Up Los Angeles	1,415,016	0	0
California Conservation Corps AmeriCorps	637,595	293,641	500,000
East Bay Conservation Corps AmeriCorps Collaborative	2,020,649	0	8,500
Appalachian Service Through Action and Resources	341,935	0	0
United Youth Corps of Maryland	1,767,517	0	0
Enhancing Neighborhood Action by Local Empowerment	222,605	0	0
Maryland Students Taking Responsibility for Tomorrow	262,672	5,681	0
St. Louis Partners for Service	368,812	0	0
Grace Hill AmeriCorps RiverFront Trail Project	270,114	0	0
Southeast Missouri Partnership for Community Service	308,093	0	0
Come as You Are Project	218,659	0	0
City Year, Rhode Island	826,835	0	0
Leadership, Education and Service Enterprise	251,495	0	16,812
Casa Verde Builders Program	975,009	799,635	0
Serve Houston Youth Corps	937,315	40,325	0
Parenting Education Project	759,110	0	0
Making Connections for Children and Youth	445,646	24,985	0
Service to Alexandria	269,860	0	0
Virginia Commonwealth University AmeriCorps	154,287	0	0
Educational Conservation Corps	0	626,639	0
AmeriCorps Youth in Service	304,233	0	0
Spokane Service Team	254,319	0	0
Washington AmeriCorps	2,399,965	0	54,241

State		Local government		Private Sector		
Cash	In-kind	Cash	In-kind	Cash	In-kind	Total
$0	$0	$0	$0	$257,921	$145,040	$1,159,548
0	0	0	0	199,877	203,090	1,817,983
563,584	122,986	69,580	311,387	23,361	8,650	2,530,784
13,299	28,164	142,488	239,681	190,326	102,567	2,745,674
23,894	235,075	31,336	0	0	0	632,240
0	37,712	75,263	14,300	351,309	23,148	2,269,249
152,535	11,500	0	0	78,568	0	465,208
0	0	0	0	0	92,548	360,901
0	0	0	0	68,895	168,604	606,311
0	0	0	0	114,731	47,920	432,765
11,464	46,517	11,050	36,997	226	3,718	418,065
0	0	0	0	20,974	43,867	283,499
0	0	0	0	270,163	144,142	1,241,140
0	0	0	29,518	35,736	0	333,561
0	0	469,819	0	143,590	60,000	2,448,053
0	0	0	0	205,768	95,070	1,278,478
51,366	45,714	78,540	11,636	93,083	23,271	1,062,720
0	0	0	0	112,816	0	583,447
0	0	69,117	80,000	0	0	418,977
24,496	27,067	0	0	0	0	205,850
953,592	0	152,261	0	0	0	1,732,492
0	0	0	0	57,646	259,330	621,209
103,448	34,000	23,465	0	94,226	25,770	535,227
683,281	75,314	0	512,041	0	208,597	3,933,438

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